

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Nora Mead Brownell, and Suedeen G. Kelly.

Pinnacle West Capital Corporation

Docket Nos. ER00-2268-003
ER00-2268-005
ER00-2268-006
ER00-2268-007
ER00-2268-008
ER00-2268-010
ER00-2268-012
ER00-2268-013
ER00-2268-015
EL05-10-002
EL05-10-004
EL05-10-006

Arizona Public Service Company

ER99-4124-001
ER99-4124-003
ER99-4124-004
ER99-4124-005
ER99-4124-006
ER99-4124-008
ER99-4124-010
ER99-4124-011
ER99-4124-013
EL05-11-002
EL05-11-004
EL05-11-006

Pinnacle West Energy Corporation

ER00-3312-002
ER00-3312-004
ER00-3312-005
ER00-3312-006
ER00-3312-007
ER00-3312-009

	ER00-3312-011
	ER00-3312-012
	ER00-3312-014
	EL05-12-002
	EL05-12-004
	EL05-12-006
APS Energy Services Company, Inc.	ER99-4122-004
	ER99-4122-006
	ER99-4122-007
	ER99-4122-008
	ER99-4122-009
	ER99-4122-011
	ER99-4122-013
	ER99-4122-014
	ER99-4122-016
	EL05-13-002
	EL05-13-004
	EL05-13-006

ORDER GRANTING MOTION FOR TECHNICAL CONFERENCE IN PART

(Issued June 2, 2006)

1. On May 17, 2006, Pinnacle West Capital Corporation (PWC), Arizona Public Service Company (APS), the Pinnacle West Energy Corporation (PWE), and APS Energy Services Company, Inc. (APS Energy) (collectively, Pinnacle West Companies) filed a motion requesting that the Commission convene a technical conference to address certain issues raised by an order issued on April 17, 2006 in these proceedings.¹ In this order, the Commission grants the motion in part and directs Staff to convene a technical conference to address the mitigation issues raised by the April 17 Order.

Background

2. In the April 17 Order, the Commission addressed the Pinnacle West Companies' updated market power analysis. Among other things, the Commission found that the

¹ *Pinnacle West Capital Corp.*, 115 FERC ¶ 61,055 (2006), *reh'g pending* (April 17 Order).

Pinnacle West Companies' simultaneous transmission import capability study failed to comply with the Commission's requirements and revoked the Pinnacle West Companies' market-based rate authority in the APS control area. The Commission directed the Pinnacle West Companies to file, within thirty days of the date of the April 17 Order, revised market-based rate tariffs limiting sales at market-based rates to areas outside of the APS control area. In addition, the Pinnacle West Companies were directed to file a separate tariff to provide for the default cost-based rates, as well as cost support for these rates, as specified in the April 14 Order.² The cost-based filing was directed without prejudice to the Pinnacle West Companies' ability to propose tailored mitigation that would apply prospectively or to make sales under their existing Commission-approved cost-based rate tariffs.

3. On May 17, 2006, the Pinnacle West Companies filed a motion for technical conference on the mitigation issues raised by the April 17 Order. The Pinnacle West Companies assert that there are numerous outstanding issues related to how mitigation should be structured that could be usefully discussed in a public technical conference. They request that the technical conference also address simultaneous transmission import capability.

4. The Commission will grant the motion for technical conference in part. However, the scope of the technical conference will be limited to a discussion of mitigation and, accordingly, no other issues besides mitigation may be discussed at the technical conference. The Commission will issue a subsequent notice announcing the time and place of the technical conference.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.

² *AEP Power Marketing, Inc.*, 107 FERC ¶ 61,018 (April 14 Order), *order on reh'g*, 108 FERC ¶ 61,026 (2004).